



## **Insurance Advisory**

### 10 principles of addressing customer vulnerability for call centre employees

#### **10 ways to help vulnerable customers achieve good outcomes**

COVID-19 has suddenly and unexpectedly affected all aspects of our lives – and its impact has been as severe on our financial wellbeing as on our physical and mental health. The lockdown has meant that many people have seen their incomes reduced and some have lost their jobs altogether.

Many consumers who wouldn't normally identify themselves as vulnerable may now unexpectedly find themselves in a position of vulnerability, perhaps because they've been made redundant or been furloughed and lost income as a result.

Not all customers are the same – there are many ways in which the Coronavirus pandemic could make someone vulnerable – and some have very specific needs that must be met if we're to achieve good outcomes for them. These 'customers in vulnerable circumstances' need additional support and understanding in their day-to-day dealings with us, so that they can make informed decisions that are right for them. Insurers are advised to help these customers by upholding the 10 principles in the Association of British Insurers guide "Addressing customer vulnerability".

# 10 principles to support vulnerable customers

The ABI's "Addressing customer vulnerability" guide outlines the following 10 principles in support of vulnerable customers:



## PRINCIPLE 1

There are many facets and forms of vulnerability; age is not the only indicator. Firms should consider all contributors and circumstances that may make a customer vulnerable. While some vulnerabilities are permanent, others can be fluid, temporary or occur at changing intervals, or lead to other or enhanced levels of vulnerability. Firms should be alert to changes in an individual's circumstances and handle these changes sensitively.



## PRINCIPLE 2

Firms should consider how best to protect vulnerable customers' best interests, particularly when the customer's request may lead to a poor outcome.



## PRINCIPLE 3

Firms should record any disclosure of vulnerability when it is appropriate to do so and, once the permission has been obtained, to avoid multiple disclosures by the customer and to ensure customers are supported in the most appropriate way at every touchpoint.



## PRINCIPLE 4

Firms should identify and support potentially vulnerable customers throughout the life of a product, from sale and servicing through to the end of the contract.



## PRINCIPLE 5

Firms should learn from and work with experts to Wbetter understand how to identify and support vulnerability across all channels, using good practice to inform the approach and embed understanding of vulnerability across the organisation.



## PRINCIPLE 6

There is no one-size-fits-all approach to supporting vulnerable customers; no two vulnerable customers are the same. Firms should have an organisation-wide vulnerability policy or strategy and ensure that all customer-facing staff are sufficiently equipped to support vulnerable customers effectively and sensitively.



## PRINCIPLE 7

Firms should develop flexible processes that work for customers and their families, friends and / or carers. These should acknowledge that there may be more than one single person, that the customer may have people supporting them.



## PRINCIPLE 8

Firms should ensure that staff are suitably trained and equipped to deal with vulnerable customers or are empowered to refer customers to external organisations with a particular expertise. Internal training practices should be regularly reviewed to ensure they are still effective and up to date with best practice.



## PRINCIPLE 9

Firms should put in place support for vulnerable customers that is good for all customers.



## PRINCIPLE 10

Firms should ensure that all current processes for raising awareness of and preventing scams and financial abuse are effective for all customers, specifically those who may be vulnerable.

# What is a 'customer in vulnerable circumstances'?

The Financial Conduct Authority has defined a vulnerable customer as “someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care”.

While we would always seek to treat each customer with an appropriate level of care, we have to recognise that some customers' personal circumstances can leave them at particular risk of detriment. Their vulnerability can be due to a range of factors, such as their age, a physical or mental disability, a life event such as divorce or bereavement, having been the victim of crime, or having limited language, literacy or numeracy skills, and it can be permanent or temporary.

Whatever the cause of their vulnerability, the customer is likely to have difficulty understanding information about the plan they have with us and the service we provide, accessing information to help themselves, and making decisions about their plan. This puts them at risk of financial detriment.



## How can you help vulnerable customers?



**Recognise when a customer is vulnerable**



**Listen, show tolerance and empathy, and speak to and deal with them in a way that best suits their needs**



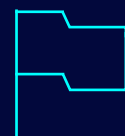
**Record the nature of their vulnerability, with their permission, and the things you can do to make it easier for them when they contact you in the future**



**Adapt and be flexible in your processes and requirements, where possible**



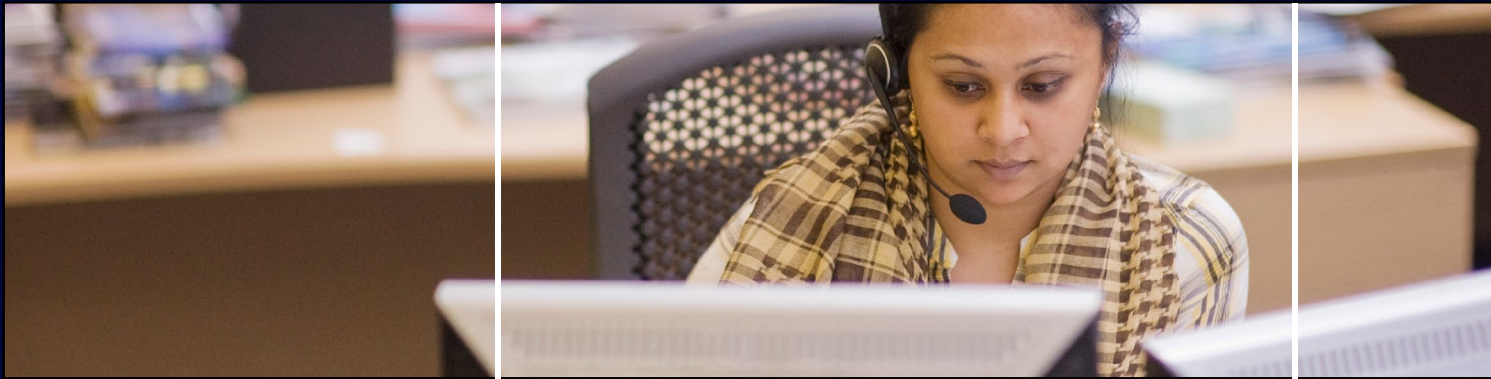
**Be alert to requests and actions that could expose them to detriment through fraud or scams**



**Signpost third parties that can provide expert help, if appropriate.**

## What practical steps can insurers take?

Encourage your call centre staff to use these best-practice techniques to provide high-quality support for vulnerable customers



### Identifying a customer in vulnerable circumstances:



#### People can be vulnerable for many different reasons:

- Personal characteristics – mental health, mental capacity, physical disability, learning ability, language
- Personal circumstances – bereavement, job loss, illness, family breakdown, addiction
- Creditor / enforcement action – bankruptcy, repossession, eviction.



#### They can show various indicators of vulnerability, but these can include:

- a sudden change in behaviour
- appearing helpless, depressed, tearful, fearful or panicky
- anger and aggression
- becoming quiet or withdrawn
- inconsistent or erratic communication
- an inability to accept their situation.



#### Critically, it is worth observing whether they can:

- understand
- communicate
- remember
- weigh up.

If a customer shows any of these vulnerability indicators, your call centre staff should assess them further by investigating the following in more depth:

#### IDEA drill

- I** - IMPACT – what does the customer's condition stop them from doing or make it hard for them to do?
- D** - DURATION – how long has the customer been living with the condition?
- E** - EPISODES – is it temporary or permanent?
- A** - ASSISTANCE – does the customer get assistance? What can we do to achieve a better outcome?



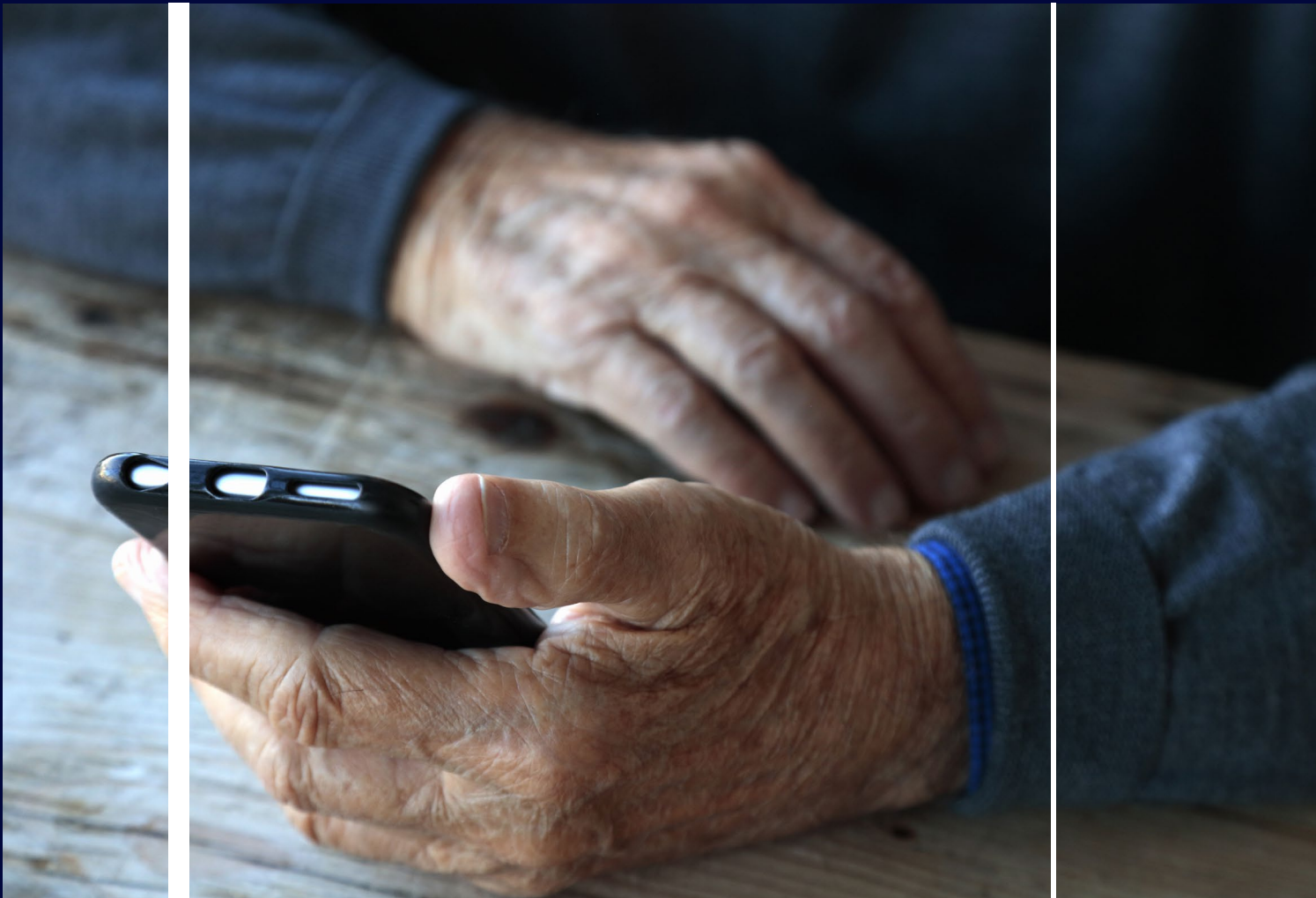
## What do you do when a vulnerable customer has been identified?

A customer's disclosure of their vulnerable situation represents a moment of trust and opportunity. **Following the TEXAS drill enables your call centre staff to make the most of that opportunity:**

### TEXAS

- T** – Thank them and explain that the information will enable you to deal with them and their plans better
- E** – Explain how you will use this information
- X** – Get their explicit consent to record the information
- A** – Ask them questions about their circumstances to assess how you can help
- S** – Tell them where they can get external help.

Many vulnerabilities require specific support and expertise that you may not be able to provide. Your call centre staff should record the vulnerable circumstances after receiving the customer's agreement. They can use the list of specialist organisations and charities in Appendix 3 to refer customers for further help. We'll continue to update this list, to provide you with the most up-to-date information available.

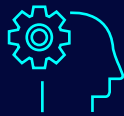


# What do you do when customers have limited mental capacity?

A customer's vulnerable circumstance may have limited their mental capacity. In this case, it's worth trying to comply with the five statutory principles of the Mental Capacity Act 2005:



A presumption of capacity, unless it's established that capacity is lacking



Customers should be supported in making their own decisions using all practical steps



An unwise decision alone is not evidence of lack of capacity



Any action taken when capacity is lacking must be in the customer's best interest



Any action taken when capacity is lacking must be the least restrictive option.

You should use the following technique in these circumstances:

## BRUCE

- B** – Behaviour, look for clues of a limitation in the customer's behaviour and speech
- R** – Remembering, are they struggling to remember what you've said? Ask what might help, for example can they write it down, or is someone else available to support them?
- U** – Understanding, ask them to summarise their understanding. Fill in any gaps by repeating your comments using different examples
- C** – Communication, find out how would they prefer to communicate and try to accommodate that. Allow enough time for them to answer your questions and pause regularly
- E** – Evaluation, discuss each option simply with any pros and cons.





## What do you do when information comes from a carer?

You must have robust processes in place to protect customers and their data but, increasingly, carers, with the best interests of your customer at heart, will seek to engage with you on their behalf.

Your call centre staff should follow this predefined CARERS drill:

### CARERS

**C** – Check first for evidence of authority. If there's nothing in place...

**A** – Avoid discussing any plan or personal details with the carer, explaining why

**R** – Reassure them that their concerns can still be recorded as unverified observations

**E** – Explain that their observations will need to be shared with the customer and your colleagues.  
Obtain consent from the policyholder to share their data with their carer or your colleagues if they have the mental capacity to give it

**R** – Record their comments

**S** – Summarise the next steps.



## What to do when customers are suicidal?

A customer disclosing suicidal thoughts or behaviour is a daunting prospect for any call centre team member. But the fact that they've made such a disclosure offers a critical moment of opportunity to help someone who, rather than actually wanting to take their own life, may be desperate to change it.

In this situation, you should follow this protocol:

### BLAKE

- B** – Breathe to focus, gather your thoughts and acknowledge what the customer has said
- L** – Listen to fully understand what the customer is saying and assess the imminent risk of harm
- A** – Ask to get more information that will help you to assess the risk further
- K** – Keeping the customer safe from harm is your primary goal
- E** – End with summarising what you've agreed with the customer once their safety has been addressed.



You should talk to a customer about referring them to a listening organisation such as the Samaritans but, in situations where you feel that there is a real risk to their safety, contact the emergency services urgently and let the experts take charge. Such calls can be traumatic for call centre staff, so have a plan in place for supporting them.

## In conclusion

The strategy we're recommending will continue to evolve, but always remember to:

- Use the customer's name
- Remain respectful, including towards differences in ideas, personality and ability
- Use appropriate language
- Recognise the choices that vulnerable customers make or have made, even if they appear risky or unwise
- Reassure customers about privacy and confidentiality
- Ask who they would like to include in decisions affecting their life
- Offer assistance, but try to maximise the customer's independence
- Use positive language when referring to disability, age and mental health
- Ask customers about their specific needs and any solutions they would like you to consider



# Have you taken these actions to develop, support and implement your strategy?

## Have you:

- ✓ Declared your commitment and desire to help vulnerable customers to achieve good outcomes
- ✓ Held workshops and considered the types and nature of the vulnerabilities that your customers face and how you can best support them
- ✓ Provided training for staff to identify a vulnerable customer
- ✓ Provided training for staff to experience types of vulnerability
- ✓ Provided training for staff to help and support customers once a vulnerability had been identified
- ✓ Established a means of recording the nature of the vulnerability and how you could best support the customer so that they get a better experience in the future
- ✓ Identified vulnerable customer champions and experts who can support, guide and, if necessary, take over contact with vulnerable customers
- ✓ Established channels for approving or supporting the varying or waiving of normal process requirements
- ✓ Maintained a log of actions in support of vulnerable customers, to inform you whether there are other actions that you should take, to be consistent across cases, and to remind staff about how you support vulnerable customers
- ✓ Regularly provided refresher training on vulnerable customers and maintained your focus on vulnerable customers' needs with updates from vulnerable customer champions
- ✓ Encouraged staff members to share customer stories
- ✓ Monitored this initiative's effectiveness
- ✓ Been committed to the ABI's strategy recommendations, ongoing training and sharing good practice.



## Customers with vulnerable circumstances

### Signpost opportunities

Condition	Agency	Contact number
Alzheimer's	Alzheimer's Society	0330 333 0804
Anxiety / depression	MIND	0300 123 3393
Arthritis	Arthritis Care	0808 800 4050
Bereaved	Cruse	0808 808 1677
Cancer	Macmillan Cancer Support	0808 808 0000
Debt	National Debt line (MAT)	0808 808 4000
Dementia	Dementia UK National Dementia Helpline	0800 888 6678 0300 222 1122
General	Citizens Advice Zurich Support Services	03444 111 444 0800 326 5061
Hearing	Action on Hearing Loss	0808 808 0123
Heart	British Heart Foundation	0300 330 3311
Homelessness	Shelter	0808 800 4444 (non-urgent) 0808 164 4660 (urgent)
Sight	RNIB	0303 123 9999
Stroke	Stroke Association	0303 303 3100
Suicidal	Emergency services Samaritans	999 116 123